

June 6, 2005  
Regular Session

Minutes

Members present

D.C. Swaim- Chairman  
Brady Wooten- Vice- Chairman  
Leon Casstevens- Commissioner  
Kim Clark Phillips- Commissioner  
Allen Sneed- Commissioner

Others Present

Cecil E. Wood- County Manager  
James Graham- County Attorney  
Melinda Vestal-Clerk to the Board

Chairman Swaim called the meeting to order. Chairman Swaim asked everyone to stand for a moment of silence in memory of Commissioner Roger Evans and then had the invocation. The Board had the pledge of allegiance.

**Public comments**

Emmitte Winslow, Yadkinville, addressed the Board about education in Yadkin County and the lack of facilities. The citizens of Yadkin County depend on the Board of Commissioners to provide proper facilities for our students. Mr. Winslow stated that funding for the schools not only impact the current year but other years to come. Our high schools lack the facilities to allow them to be on the same level as other students when attending higher education facilities. It is important to businesses to have well educated employees. A sound educational system keeps businesses and brings new businesses to the area. The Board of Education has presented a proposal to build new science and technology labs at both high schools. Mr. Winslow asked the Board to make a positive vote to build the additions.

Gary McDonald, Asst. Superintendent, stated the Board of Education and the Board of Commissioners have taken steps to determine the needs of the schools, and now the politics and the personalities have to be taken out of the way. Mr. McDonald informed the Board the current science labs are not adequate to perform experiments; students miss out on hands on experience. There are many students who are pursuing careers in the health field and new science and technology labs would be a great asset for them. Mr. McDonald stated if we wait until 2008, over 2,000 students will not have the use of adequate labs. The plan before the Commissioners is a plan which is supported by many in Yadkin County. He urged the Board to adopt the plan and proceed with building the labs at the high schools.

Everette Hartsog, Yadkin Humane Society, presented a request to hang a plaque honoring Ms. Virginia Daniels for her contribution to the animal shelter. The plaque will be paid with contributions from friends. The Humane Society will be responsible for collecting the funds.

### **Minutes**

**\*Commissioner Wooten made the motion to approve the minutes. Commissioner Casstevens seconded. The Board voted 5-0.**

Commissioner Wooten asked to speak on the minutes at a later time.

**\*Commissioner Wooten made the motion to amend the agenda adding David Swann, Director of Crossroads. Commissioner Phillips seconded. The Board voted 5-0.**

### **Crossroads Mental Health- budget**

David Swann, Director of Crossroads, discussed the county's portion for the budget of Crossroads. He stated the Board funded Crossroads last year in the amount of \$126,045 and this year they are asking for \$138,423; this is equivalent to \$3.63 per capita.

### **Economic Development- report/update**

Mr. Bobby Todd, Economic Development Director, updated the Board on current economic development in the county.

Commissioner Phillips inquired about the Golden Leaf funds and how they will be spent.

Mr. Todd responded that the foundation will be more involved with industries willing to locate in tobacco areas.

Commissioner Sneed asked about BEPCO?

Mr. Todd stated they are on schedule per the contract but they are behind on where they would like to be.

### **Sewer/Water-contract**

**\*Commissioner Wooten made the motion to approve the contract with DOT to move the sewer lines down Hwy 601. Commissioner Sneed seconded. The Board voted 5-0.**

**Resolution- 911 Funds**

A RESOLUTION OPPOSING HB 1638 AND SUPPORTING THE CONTINUATION  
OF THE EXISTING 911 FUNDS FOR EMERGENCY COMMUNICATION  
SYSTEMS

WHEREAS, telephone companies of North Carolina have banned together to call for submission of a bill to eliminate existing 911 charges on telephone subscribers; and

WHEREAS, the Counties and municipalities of North Carolina have over the past two decades come to depend upon 911 charges to provide funding for emergency communications services across the State; and

WHEREAS, the telephone companies provide the best and most efficient means of collecting 911 funds and furthermore there is no workable alternative method provided in HB 1638 or elsewhere; and

WHEREAS, the telephone companies and HB 1638 are not motivated by any concern for the maintenance of the existing emergency communication system, but simply by a desire to unload said companies of the responsibility to collect and distribute the necessary revenue.

NOW, THEREFORE, BE IT RESOLVED, that the Yadkin County Board of Commissioners does hereby strongly urge all members of the General Assembly to defeat HB1638 and to protect and maintain the existing system of collecting and distributing 911 emergency communication funds.

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Melinda Vestal  
Clerk to the Board

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D.C. Swaim  
Chairman

**\*Commissioner Wooten made the motion to approve the resolution. Commissioners Sneed and Phillips seconded. The Board voted 5-0.**

**Yadkin Jury Commission-board appointment**

The Board tabled this item until the next meeting when a recommendation could be made.

**Library- board appointment**

**\*Commissioner Phillips made the motion to reappoint Suzanne Thompson to the Northwestern Regional Library Board. Commissioner Wooten seconded. The Board voted 4-1. Commissioner Casstevens opposed.**

### **Yadkin Pee Dee River-discussion**

This item was tabled due to Ms. Utters absence.

### **Schools-loan**

**\*Commissioner Phillips made the motion to bring the vote back to the table.  
Chairman Swaim seconded.**

Commissioner Casstevens stated the Board is no closer in reviewing the budget, so therefore he cannot vote today.

Mr. Wood stated he has put the debt service payment in the budget. He removed the capital request of \$500,000 for the mobile units and another \$250,000 for the water/sewer hooks-ups.

The Board discussed the low wealth funds with Ms. Mendenhall, Chair of the BOE. There was discussion of the school facility bond money which is frozen and what it would take to access these funds. The proposed loan would allow the BOE to access the DPI funds which is about \$1 million.

Commissioner Sneed asked if the BOE had a signed contract with the architect?

Dr. Todd stated no, but the signature could be easily obtained.

Commissioner Sneed stated that its illegal for the Commissioners to give the BOE the money without s signed contract.

Ms. Mendenhall stated the BOE will still have to purchase mobile units until construction is completed, but they are looking for used units. If construction starts now, the building would be completed in February.

Commissioner Sneed discussed the current bond and that it would be paid off in 2008. He suggested these payments be directed to the new loan and find enough now to get us to that time.

Commissioner Phillips reminded the Board that if this loan is not approved, we will have to add \$750,000 back to the budget.

Commissioner Wooten suggested tabling the issue until the budget can be reviewed.

Chairman Swaim stated this is a delay tactic. The budget is balanced with the debt payment included and we cannot move forward with the budget until a decision can be made about the loan.

**The Board voted 2-3 to not bring this back to the table for a vote. Commissioners Phillips and Swaim opposed.**

Commissioner Phillips stated the budget will not be balanced if this is not approved. She told the Board to look at the people in the room. She asked those in support of the schools to stand and the majority stood.

Commissioner Wooten stated the Board needs to look at the budget and come to a favorable decision.

**Chairman Swaim called for a break.**

**Yadkin Nursing Home Committee-**

This item was tabled

**Budget-review**

Mr. Wood presented the 2005-2006 budget with a figure of \$30 million. He read the following Budget Message:

Subject: Budget Message

Cecil Wood, as Manager and Budget Officer, it is my responsibility, as required by law, to present to the Board a proposed balanced budget for the 05-06 fiscal year. This proposed budget represents the combined thoughts and efforts of many people making every effort to produce a conservative fiscal plan for the coming year. Previous budgets have reduced spending in recognition of the difficult financial times; however while it is possible to cut budgets, demands do not go away. We have struggled with and delayed certain spending from previous budgets and it is now imperative that the County respond to these needs if we are to continue services. A failure to provide funding for services and programs will further reduce our ability to meet the expectations of our citizens and to respond to critical emergencies. Our inabilities will affect the lives of our citizens.

The request for funding from departments and outside agencies exceeded projected revenues for the County. Careful review was given each request and every effort was made to analyze the effect of each approval or reduction. Even after cutting over 8 million dollars from the budget request, expenses still exceeded revenues by approximately 6 percent.

I have asked the departments to reduce expenses by the 6% to produce a balanced budget. This will be extremely difficult for some departments as this reduction represents approximately 50% of their operating budgets. Several items have effected the budget this year; the effect of the hospital agreement was 3 cents on the tax rate, we are recommending a cost of living adjustment for the employees along with salary grade reclassification affecting the budget approximately  $1\frac{3}{4}$  cents, the schools were given increases equating to  $\frac{3}{4}$  cents, debt service increased by  $1\frac{1}{4}$  cents. These increases alone equal 6.75 cents; adjusting for the effect of the revaluation the County has covered an additional 1.71 cents of cost without changing the rate.

County Department heads have worked very hard this year to meet demands and stay within the approved allocations. Faced with last years reductions made on top of reductions from the previous two years, every department has had to put forth a major effort to meet its goals and the public and when funding was not there to meet the need, there was another way found; it was a “can do” attitude. I want to thank each employee for their efforts and dedication.

The past year 6 months for the Board has been a time of learning and being introduced to the many facets of the local government. Working on and passage of the budget will increase the knowledge of and the connectivity of the programs and funding sources that work together in a budget. The needs that have been put forth are legitimate, but the County doesn't have the financial resources to meet all the needs The Board will have opportunities to address its priorities if they are different from the proposed budget. Our goals this year are to: provide the schools with an opportunity to construct science and technology labs, install water and sewer lines, work for economic development, and maintain the necessary equipment needed by county departments for their operations.

The property tax rate is proposed to remain \$0.68. This is expected to generate \$13,547,759; which is only 45% of our \$30 million needed. The largest share of revenues other than the property tax is the sales tax and the slow economy is hurting those revenues.

After reviewing the proposed budget, the Board will have opportunities to make modifications. As presented, the proposed budget totals \$31,853,825, with \$30,010,433 in the General Fund and \$1,843,392 in the Proprietary Funds. The General Fund is the

basic operating fund of the County and list most of the expenditures. As proposed, Education would receive \$6,927,867 plus an additional \$200,000 for school construction debt payments, Human Services \$10,682,826, Public Safety \$6,363,771, General Government will receive \$2,981,952, Economic and Physical Development \$1,244,108, Cultural and Recreational \$559,078 and Debt Service \$1,084,423. There are no interfund transfers from the General Fund to the Propriety Funds. County property tax accounts for 45 % of the budget revenues, the rest is generated from other sources.

In a revaluation year, it is required that the revenue neutral tax rate be calculated. The combined tax base as of July 2004 was \$2,189,449,679. Assuming a 4% growth (3% inflationary and 1% real growth), the base, assuming no reappraisal had occurred, would be \$2,277,027,666 and a tax rate of 62.96 cents would be revenue neutral.

The future holds many needs for Yadkin County, after reviewing the Budget it will be evident that this budget did not attempt to address all the needs. The County must continue to build the tax base in order to generate revenues sufficient to cover the cost of mandated and necessary services and to provide for the things that will make Yadkin County competitive with the surrounding areas. The demands on the County will continue to grow as the County grows, if we do not substantially increase our base we will be forced to continue to ask more from the tax payers.

Even though the path of growth is rocky, Yadkin County must continue to grow. Competitively, we are behind our neighboring counties; we are trying to catch up. We cannot afford to go backwards or even stand still. We must provide for water and sewer for economic development, we must provide school facilities for the students, teacher recruitment and retention and economic development and we must provide the services and facilities the citizens need and deserve.

We have endeavored to distribute the resources of the County in a fair manner taking into account the demands and mandates that the County faces. We welcome review of the budget by the Board and the Public. I would invite the Public to spend the time to become familiar with the programs and responsibilities the County faces and the cost of complying with these requirements. In closing I wish to thank the Board for its support and direction during the past year. I also wish to thank the Staff for their efforts

and service to the County; they make Yadkin County Government work. I might remind the Board that a Public Hearing must be held before the Budget is adopted.

As always, I stand ready to assist the Board in any way possible.

Commissioner Wooten thanked Mr. Wood and the Department Heads for their hardwork on the budget.

Commissioner Phillips also thanked Mr. Wood, his staff and the Department Heads for their work on the budget.

**By consensus of the Board a public hearing was set for June 22<sup>nd</sup> at 7:00 p,m**

The following budget work sessions were set:

June 7<sup>th</sup> at 6:30

June 8<sup>th</sup> at 6:30

June 13<sup>th</sup> at 6:30

June 15<sup>th</sup> at 6:30

### **Administration – insurance**

Tommy and Mark Brandon, Ireland Insurance, asked the Board to consider allowing them to present a proposal for property and casualty insurance.

Commissioner Wooten inquired about the vote two weeks ago. He thought the vote was for health insurance only. He asked why Ireland Insurance had not submitted a proposal?

Mark Brandon replied they were waiting on information from the State Association, which has yet to be received.

The Board discussed the differences between the Association and Ireland Insurance; biggest difference is the deductible for employment practices, \$1000 for State and \$15,000 for Ireland.

### **Surry Community College-appointment**

**\*Commissioner Wooten made the motion to reappoint Joe Hennings to the SCC Board of Trustees. Commissioner Sneed seconded. The Board voted 5-0.**

### **Commissioner comments**

Commissioner Sneed discussed the recycling site at Hwy 21/I-77. The Board discussed the days of operation.

Commissioner Wooten stated the animal shelter is almost complete, waiting on a final inspection. **\*Commissioner Wooten made the motion to allow the staff to place “No**



**trespassing” signs at the new shelter. Commissioner Phillips seconded. The Board voted 5-0.**

Commissioner Wooten suggested all departments review their fees and verify the fees are covering the services being provided.

Commissioner Wooten inquired about a bond for water/sewer. He requested Mr. Wood research the information and bring it before the Board, also research what grants are available and to work with the BOE about the possibility of a school bond.

Commissioner Wooten suggested that potential developers send letters of interest to Mick Staton.

Commissioner Phillips inquired about the meeting with the Town of Jonesville.

Mr. Wood stated he waiting to get some dates; their Board meets later this month.

Commissioner Phillips inquired about the plaque and thought that Ms. Daniels wanted to remain anonymous

Alice Singh, President, Humane Society, stated they have talked with the family and are in agreement with the plaque.

**\*Commissioner Phillips made the motion to approve the plaque honoring The Davis’. Commissioner Casstevens seconded. The Board voted 3-2. Commissioners Wooten and Sneed opposed.**

Commissioner Phillips commented on the letter sent from CSE and its inappropriateness. She also apologized to Karin Mendenhall for the treatment she received at the last meeting.

### **Manager comments**

Mr. Wood discussed with Board the resolution regarding the removal of abandoned mobile homes.

It was the consensus of the Board to amend the resolution indicating the lack of sufficient funds to dispose of abandoned mobile homes as proposed by HB 1288 and SB 913.

### **RESOLUTION OPPOSING SB 913/HB 1288 – ABANDONED MOBILE HOME CLEANUP**

WHEREAS, Senate Bill 913 and House Bill 1288 propose to establish a fund to partially reimburse counties for the costs of abating nuisance abandoned mobile homes; and

WHEREAS, the source of the fund is proposed to be a \$300 per section tax upon new and used mobile home sales; and

WHEREAS, the bills require counties to develop a written plan for the management of abandoned mobile homes to include identifying all abandoned mobile homes in the county and providing for deconstruction, removal for reuse/recycling, and disposal of the abandoned homes; and

WHEREAS, the bills authorize counties to remove nuisance abandoned mobile homes as necessary, and to be reimbursed up to \$750 per removed home; and

WHEREAS, costs to counties of developing the written plan and removing abandoned homes are likely to exceed the amount of reimbursement money available; and

WHEREAS, imposition of an additional tax on purchasers of mobile homes does not further the goal of affordable housing; and

WHEREAS, abandoned mobile homes create public health, safety, and environmental problems and are a visual blight on the landscape of North Carolina; and

WHEREAS, abatement of nuisance abandoned mobile homes is desirable.

NOW THEREFORE, BE IT RESOLVED, that the Yadkin County Board of Commissioners supports the concept of SB 913/HB 1288, but opposes the bills as written; specifically, if counties are to be required to “manage” abandoned homes, the State of North Carolina should provide funding from a source other than a new tax on mobile home purchasers, in an amount adequate to reimburse counties in full for costs to comply with the requirement.

Adopted this 6<sup>th</sup> day of June, 2005.

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D.C. Swaim, Chairman  
Yadkin County Board of Commissioners

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Melinda Vestal  
Clerk to the Board

Mr. Wood discussed water issues and a plan for the next ten years. The bids for the Hwy 601 Project are to be opened June 14<sup>th</sup>. The bids will be presented at the June 20<sup>th</sup> meeting.

Attorney Graham passed out a report regarding the amount of back taxes collected for the past year; almost \$500,000.

**Recess**

**\*Commissioner Wooten made the motion to recess the meeting until June 7<sup>th</sup> at 6:30 p.m. Commissioner Casstevens seconded. The Board voted 5-0.**

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Melinda Vestal, Clerk to the Board